

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: January 26, 1996

SUBJECT: **SB 2508 - HB 2641**

This bill, if enacted, will provide that if a county legislative body operating under the Local Option Budgeting Law of 1993 does not adopt a budget, property tax rate resolution and appropriation resolution by September 1 of any year, then the consolidated budget, along with amendments and resolutions proposed by the county executive or budget committee will become effective.

Current law provides that if a budget is not adopted by August 1, the education budget as proposed and modified with the agreement of the Board of Education will become effective. The remainder of the consolidated budget with proposed amendments by the county executive or the budget committee will also become effective.

The fiscal impact on local governments from enactment of this bill in and of itself is estimated to be minimal, since operating under the Local Option Budgeting Law of 1993 must be approved by a two-thirds majority of the county legislative body. To date, no counties in Tennessee have adopted this budgeting method.

The net fiscal impact on local governments from the change in the time frame cannot be determined but is estimated not to be significant.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is written in a cursive style with a large, stylized initial "J".

James A. Davenport, Executive Director